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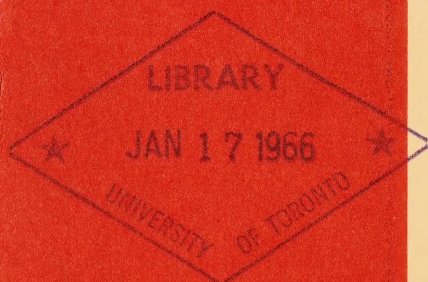
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Can. Labour dept.

[General publications]

[G-1] The manpower consultative
service. 1965.

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DEPARTMENT OF LABOUR, CANADA



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the manpower consultative service

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1965
Cat. No. L86-165

The Manpower Consultative Service is a new branch of the Canadian Department of Labour, established for a single purpose; to assist management and labour in their efforts to meet the challenge of manpower adjustment resulting from technological and economic change.

Manpower adjustment problems arise principally at the plant level, and experience has shown that they can be resolved most easily and effectively through joint consultation between labour and management.

The penalty for failure to handle them properly can be shortages of skills and costly delays for management, and unnecessary hardship for workers. But they are complex problems, calling for the use of a variety of techniques and the services of a variety of agencies.

As Canadian industry enters a new age of advanced technology it becomes imperative that we develop new concepts to meet the inevitable problems of human adjustment. The Manpower Consultative Service, an integral part of the government's total Employment and Manpower Development Program, is one such new concept.

It has a highly-experienced staff ready to advise on methods, to obtain services and to provide financial incentives. The initiative, however, rests basically with employers, and I hope that they will call freely on the Manpower Consultative Service, as far in advance as possible, in any situation where it can serve their interests.

Allan J. MacEachen

Minister of Labour

Why a Manpower Consultative Service?

The increasing speed of industrial change is a fact of Canadian life. Economic growth and competitive pressures combine to make the pace of technological development faster and faster. New products, new methods, new machines, new control techniques, all bring with them challenges to traditional approaches to manpower adjustment and industrial relations problems.

The Manpower Consultative Service has been established by the Government of Canada to assist labour and management in meeting this challenge. The Service is a part of the Canadian Department of Labour, with headquarters in Ottawa. Regional Officers, located in each of the five main economic regions of Canada, are now available for consultation. There is close liaison between regional officers and headquarters in Ottawa, and with other federal and provincial government services.

The Challenge of Technological Change

“Technological change” is broadly defined by the Manpower Consultative Service. It will not restrict its activities to dramatic instances of mass displacement, — its object, in fact, is to help prevent such situations from developing. Rather, it is concerned with almost any situation requiring current or anticipated manpower adjustments attributable, directly or indirectly, to economic and technological change.

The concern of the Government of Canada in the relationship between technological change and manpower is that changes, dramatic or gradual, can bring about displacement and distress, maladjustments between skill requirements and available skills, and unnecessary labour-management conflict.

A most significant effect of technological change is the steady reduction in the manpower requirement for any given level of output. Coupled with this is a rapid change in the “job mix” as new methods call for new skills and old skills are no longer in demand.

Success in meeting the challenges presented to industry by these developments will depend on two variables, the rate of expansion of the particular industry or firm in relation to its growth in productivity, and the degree to which existing manpower can be adapted to rapidly shifting occupational requirements. It is with this latter area that the Manpower Consultative Service is chiefly concerned.

The Labour Market

In recent years, Canada's total labour market has shown the results of the twin impacts of technological change — disparities between skill requirements and their availability, and the changing relationship between output and employment. The federal and provincial governments have responded to the first challenge by massive programs of skill training and technical education under the Federal-Provincial Technical and Vocational Training Agreements. The second challenge has been met with policies designed to stimulate economic growth and total employment. Research has demonstrated, however, that adjustment problems can and do occur even under the most buoyant economic conditions, and that the total solution requires the development of adjustment programs at the level of the individual plant or industry.

Government and Manpower Adjustment

In the national interest, the Government of Canada has recognized the need to provide some assistance to industry and labour in fulfilling their responsibilities in the area of manpower adjustment. Essentially, this is the function of the Manpower Consultative Service.

The Service has been designed to provide technical, consultative and financial assistance to management and labour to assist in the development of constructive solutions to manpower problems created by technological and economic changes in industry.

The development of a successful manpower adjustment program at the plant or industry level will achieve the objective of providing a smooth transition to new technological methods while meeting the requirements for new occupational skills, for the adjustment of individuals to changed work situations, and for the maintenance of a constructive labour-management relationship.

Research and experience in Canada, and elsewhere, complemented by a realistic assessment of developing industrial relations patterns, have contributed to the formulation of three general principles on which the operation of the Manpower Consultative Service is based.

1. *Research and Advance Planning.* It has become clear that action aimed at adjusting manpower to new requirements must, to be effective, be started well in advance of any actual change in operations. Often the new skills needed are not readily available on the labour market, and technological advance may well be dangerously delayed as a result. At the same time, the concern of employees for their livelihood can result in strong resistance to the adoption of new techniques which, it is feared, may result in job displacement.

Consequently, management, in planning for change in operational methods and organization, must plan also for the changing staff requirements that are involved. This kind of planning is difficult and complex, and it is not always easy to foresee precisely what manpower problems will be involved.

The most promising approach is through comprehensive research into the composition of the existing work force, the changes that new methods are likely to bring about, and the various means

by which the adjustment of manpower supply to manpower requirements can best be made. Satisfactory adjustments are those which meet the new requirements adequately with a minimum of distressing effects on the existing work force.

Apart entirely from the demands of the collective bargaining process, the general shortage of skills which is becoming more and more apparent in the labour market makes the maximum utilization of existing manpower essential. The need for planning to meet skill requirements cannot effectively be separated from the need for planning to avoid undue impact of change on individual workers.

If investigation shows a need for extensive programs of retraining for changed jobs, or for increased skills in existing jobs, such retraining needs to be got under way well before the requirements must be met. Measures such as these take time to work out, — sufficient time must be allowed for the task. Failure to work them out can, among other things, result in impasses in the collective bargaining process, brought about by a lack of objective information and consequent well developed plans for dealing with the problems encountered.

This leads to the second principle on which the operation of the Service is based.

2. *A Joint Approach.* Where there is a collective bargaining relationship it is most desirable that research and planning for manpower adjustments be developed through a process of consultation between the parties. Such joint consultation and participation in manpower planning can do much to facilitate understanding of the need for technological change on the part of the work force, and to create an atmosphere of positive participation in the development of measures to insure as much job security as is economically possible in a given situation.

The rights and responsibilities of both parties to a collective agreement are affected by the introduction of technological change at the work place. It is evident that the development of a successful manpower adjustment program is, in most instances, too complex a subject to be determined by traditional collective bargaining

processes alone. Joint research, consultation, and planning are more conducive to effective adjustments for both parties than is crisis bargaining.

Such research and investigation, assessment and planning, must be aimed at solving the problems, and at setting long-term goals, rather than at justifying rigid demands formulated on other grounds. The conduct of the research, therefore calls for an objective appraisal of the facts. An objective appraisal can best be developed through a program of research jointly sponsored by the parties to the collective agreement, aimed at bringing to the bargaining table data which have been developed and analysed, without the destructive pressures of pre-set bargaining positions. It seems clear that effective collective bargaining in the future must include as a vital ingredient some such arrangement for objective appraisal of the facts.

The Government of Canada is prepared, on the recommendation of the Manpower Consultative Service, to finance, to the extent of 50 per cent of the overall cost, programs of investigation and research into manpower problems, provided that where a collective bargaining relationship exists, the program is a result of joint consultation between the parties.

Such assistance will also be available to employers alone in those cases where there is no collective bargaining relationship. In this case, however, it is essential that employees be kept informed that a program is in process, and that its purposes are, among others, to provide them with the best possible future employment opportunities.

3. *Co-ordination of Government Services.* As the research and investigation proceeds, and as methods are proposed for meeting problems, provincial and federal government programs already in existence can be brought to bear as necessary. The provincial governments provide substantial service in training and retraining under the Technical and Vocational Training Assistance Act, and officers of the Technical and Vocational Training Branch of the Canadian Department of Labour are prepared to offer technical assistance and advice to companies with requirements of this kind.

The National Employment Service is available for the placement and re-employment of displaced workers, and its facilities can be brought to bear on the situation before displacement actually occurs.

The officers of the Manpower Consultative Service are equipped to advise and assist employers and unions as to the ways and means by which these services can help, and to act as a liaison service between employers, unions, and the governmental agencies concerned. There is, moreover, extensive research material available which the officers of the Manpower Consultative Service can make available to research committees engaged in studies in specific plants and industries, and the officers will, of course, always be available to guide the research, and to offer assistance when requested.

Labour Mobility

In some of the more difficult cases it may become clear that adequate employment opportunities cannot be provided to all displaced workers in the local area, and that for some of them moves to other areas are essential. The Government of Canada is prepared in special cases, on the recommendation of the Manpower Consultative Service, to assist in the financing of such moves, to the extent of 50 per cent of the cost, provided that either an employer or the provincial government, or both, undertake to finance the balance of the cost.

General Consultation

Apart from specific programs and problems, the officers of the Manpower Consultative Service are available for consultation with management and unions on all matters related to the general field of manpower adjustment. In particular, it is hoped that they will be called upon by managements to assist in the development, and assessment, and forecasting techniques in the manpower field which, in turn, may facilitate the development of specific programs when the need arises. You are invited to avail yourself of their services at any time. Please direct enquiries to:

Mr. G. G. Brooks,
Director,
Manpower Consultative Service,
Department of Labour,
Ottawa 4, Ontario,

or to your nearest Regional Office of the Manpower Consultative Service.



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